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SUBJECT: AMAZON PROTESTS: NOT SO HIDDEN POLITICAL AGENDA

REF: LIMA 777

Classified By: Pol/C Alexis Ludwig for reasons 1.4(c) and (d).

¶1. (C) Summary: Amazon community groups have invoked the supposed unconstitutionality of nine legislative decrees as the reason for protests that have gone on for almost two months now. These nine decrees are technical laws that seek to facilitate investment and promote development in one of Peru's most marginalized regions while maintaining basic protections for native lands and rights. Meantime, Aidesep (the native group leading the protests) has spurned the government's offer to negotiate details of the decrees. Public statements from protest leaders, including Aidesep head Alberto Pizango's call for "insurrection" against the government, and the incendiary language of the recent indigenous summit in Puno suggest a much broader political-ideological project. Reversing Peru's pro-growth anti-poverty strategy and destabilizing the Garcia government seem high on the list of objectives. End Summary.

¶2. (C) Amazon community groups have invoked the supposed unconstitutionality of nine legislative decrees as the reason for prolonged protests - closing on two months now -- in different points of the country's extensive Amazon region. The decrees were passed in 2008 after Congress delegated legislative authority to the executive in order to expedite the creation of the environmental and labor regulatory framework required for implementation of the Free Trade Agreement with the U.S. The government took advantage of this special legislative authority to advance legislative goals associated with its broader economic strategy to open Peru to investment and to promote development in remote Amazon regions where both poverty and economic potential are high. Questions concerning the constitutionality of the decrees have turned largely on procedural rather than substantive grounds, including whether communities were adequately "consulted" during their formulation. Protestors and their supporters have often invoked ILO Resolution 169, to which Peru is a party, in underscoring the right of communities to participate in decisions that may affect their rights and interests. Some confusion over the potential for public or private sector intervention in community lands has also been an issue.

¶3. (C) The nine legislative decrees under debate - 994, 995, 1020, 1060, 1064, 1081, 1083, 1089, and 1090 - seek to facilitate private investment, enhance agricultural efficiency and competitiveness, and regulate forestry to promote sustainability. While each decree invokes the US-Peru Free Trade Agreement in its opening clause, only one has a direct tie to the FTA. Legislative Decree 1090, the "Law of the Forest," is a highly-technical law carefully crafted to meet FTA conditions aimed at facilitating controlled private investment on state-owned land while also establishing strict environmental protections. The decree guarantees the conservation of indigenous lands and other

protected areas -- explicitly noting that, of Peru's 63 million hectares of Amazon forest cover, 11 million hectares belonging to indigenous communities cannot be touched and an additional 15 million hectares are "protected areas" set aside as national park reserves. Decree 1099 also explicitly references Article 89 of the Peruvian Constitution, which recognizes the juridical and property rights of indigenous communities.

¶4. (C) The other (non-FTA related) decrees create new entities overseeing irrigation projects and more efficient water use, new trust funds for agricultural credit, organizations promoting agricultural innovation, and other projects that appear to have minimal impact, if any, on native communities. Inasmuch as the laws refer to native communities, they explicitly guarantee the integrity of their territories and also acknowledge and guarantee indigenous traditions and "ancestral knowledge." Aidesep's most consistent decree-specific arguments are that indigenous communities were never consulted (as required by ILO Convention 169), and that lands they consider their own but have never been able to obtain property titles for may eventually be considered abandoned and/or fallow and then "expropriated" by the State to be sold to private investors.

¶5. (C) While Amazon community groups, represented by Aidesep, call for revising or revoking the nine decrees, Aidesep leader Alberto Pizango himself appears to have spurned the government's offer to negotiate. (Note: Aidesep reportedly represents up to 70% of organized Amazon community groups. We understand some Aidesep members, and the other main organization representing Amazon communities, have shown greater flexibility and willingness to negotiate. End Note.) Government contacts have told us that the door has been and remains wide open for dialogue. To this end, the government established a special multi-sectoral commission, led by Prime Minister Yehude Simon, to negotiate with community representatives. The commission met several times with Aidesep representatives last week. On Monday June 1, however, when talks were scheduled to resume, Pizango was a no-show. Moreover, according to a government negotiator, as the commission appeared to be nearing agreement with an Aidesep lawyer regarding a way forward, Pizango sent a fax stating that the lawyer's authority to negotiate on behalf of the organization had been rescinded. The conclusion of most analysts was clear: negotiations to resolve the impasse were being consciously and intentionally thwarted by the Aidesep leader.

¶6. (C) Viewed with a wider lens, Pizango's actions make sense. Public statements from protest leaders suggest a political project that far transcends the mere revision or revocation of legislative decrees. As the Amazon protests dragged on and began to capture media attention in late May, Alberto Pizango called for an "insurrection" against the government. During the early June indigenous summit in Puno, Pizango raised the ante, declaring that Amazon native groups "would rather die than give in," calling for a reenergized national-level strike and stating that he would no longer negotiate with anybody other than President Garcia himself. The most incendiary moment of the summit was the public reading of a letter sent by Bolivian President Evo Morales, who called "for a second and definitive independence...This is the moment in which all should know that our fight does not end, that resistance becomes rebellion and rebellion becomes revolution." Political pamphlets passed out during the event contained propagandistic articles such as: 'Human Influenza Epidemic: Another One of Capitalism's Calamities' and "USAID: Paid Mercenaries and Soldiers in the Dirty War."

¶7. (C) The formal written conclusions of the Indigenous Summit explicitly support the "Amazon Indigenous peoples' struggle in Peru against the rules that privatize their territories and natural resources." Inter alia, they also:  
-- reject all forms of land division, privatization, concession, predation and pollution from extractive industries;  
-- demand decriminalization of the coca leaf;

-- reject the Free Trade Agreement with the U.S., Europe, Canada, China and other countries because they destroy our economies, subjugate our peoples and plunder mother earth;  
-- call for trials against the governments of Colombia (for genocide against indigenous people), Chile (for crimes against the Mapuche) and Peru (for the legislative decrees and the alleged persecution of innocent protestors);  
-- and support the struggle of the peoples around the world against imperial powers, including Israel's occupation of the Palestinian territories.

18. (C) Comment: There is a clear connection between the purported aims of the Amazon protestors - to revoke the nine legislative decrees - and the sweeping ideological goals of the anti-system movement with which the protesters are integrally linked. In that sense, categorical opposition to the legislative decrees would appear to be a pretext for the pursuit of the larger objective. Reversing Peru's pro-growth, development-focused anti-poverty strategy and replacing it with a Bolivia-style "people's revolution" would appear to be one. Destabilizing the Garcia Government, which has made the pro-growth strategy a central priority, in order to prepare the terrain for anti-system candidates in the 2010 regional elections and the 2011 general elections is another. The Government of Peru is keenly aware of this dynamic and has sought to emphasize dialogue, and resort to repressive action only reluctantly (septel), in addressing it.  
MCKINLEY